

## **Gold Rush Referendum**

**Saturday, January 30, 2010**

**Ledger Dispatch**

- Ed Arata, Sutter Creek

The Gold Rush Referendum in Sutter Creek is not about the sewer plant. The City of Sutter Creek and the ARSA board have already agreed to participate in a Regional Wastewater Planning program that will be sponsored by the Amador Water Agency with grant funding from the Sierra Nevada Conservancy. In approving Gold Rush the City did not lock in the construction of a Tertiary Treatment Plant at the Sutter Creek Site by Gold Rush. Gold Rush may build a tertiary plant, but it may be somewhere else depending on the final regional plan.

The current Sutter Creek sewer plant is in good shape, despite the "Bubblegum and Baling Wire" stories that float around the city of Sutter Creek concerning the condition of the plant. The city just spent \$1.5 million upgrading and improving the plant in 2007. The plant now has a projected life expectancy of at least 15 years and can be upgraded further at reasonable cost. Ione's Wastewater Master Plan allows for continuing to take, treat and distribute ARSA water beyond the foreseeable future.

The main factor driving sewer rates in Sutter Creek at this time is the city's continued use of sewer funds to support its General Fund operations. It has been pointed out to the city that, based on their staffing charts, 88 percent of the public works/sewer staff is paid from the sewer rates and 68 percent of the administrative staff are paid from the sewer rates. Until the city of Sutter Creek can get its budget under control there will be continued pressure for sewer rates to go up.

The city has promised to hold Sewer Rate Committee meetings since December of 2008. Only one meeting has been held. The city manager and city council attempted to take out a \$750,000 loan to supplement the Sewer Fund in October last year. A petition with 350 signatures and a packed council meeting persuaded the council not to put the sewer rate payers further in debt and increase sewer rates. The council promised sewer rate meetings to explore the loan further. None have been held.

The city of Sutter Creek currently has outstanding payments due from Amador City and the water agency related to sewer operations. These payments are being held up by questions regarding the city's billing methods and incomplete agreements.

The Gold Rush Referendum in Sutter Creek is not about the sewer plant. The Referendum is partially driven by a city council that cannot currently control

its budget and uses the sewer rates to attempt to do so. Even though the city council has attempted to mitigate the financial impact of Gold Rush on the city in the future, many citizens and at least one council member are not convinced that the attempt will be successful. Please do not let the sewer plant scare tactics of the Gold Rush project influence your thoughts on the referendum. Please look at the city's current financial situation and how Gold Rush may further erode that in the future.